"The City With a Heart"



Larry Franzella, Mayor Jim Ruane, Vice Mayor Ken Ibarra, Councilmember Rico E. Medina, Councilmember Irene O'Connell, Councilmember

MINUTES CITY COUNCIL MEETING

May 12, 2009

7:00 p.m.

- 1. CALL TO ORDER: THIS IS TO CERTIFY THAT the San Bruno City Council met in regular session on May 12, 2009 at the San Bruno Senior Center, 1555 Crystal Springs Road. The meeting was called to order at 7:00 p.m.
- **2. ROLL CALL/PLEDGE OF ALLEGIANCE:** Presiding was Mayor Franzella, Vice Mayor Ruane and Councilmembers O'Connell, Ibarra and Medina in attendance. Recording by Clerk Bonner. **City Manager Jackson** led the Pledge of Allegiance.

3. ANNOUNCEMENTS:

- a. **Mayor Franzella** said the 69th Annual Posy Parade, sponsored by the San Bruno Lions Club will be held on Sunday, June 7, 2009 at 1:00 p.m. **Councilmember Ibarra** said this year's theme is "The Many Cultures of San Bruno." He said it was not necessary to sign up, just show up at 12:30.
- b. **Mayor Franzella** announced the San Bruno Redevelopment Agency would meet following this evening's meeting.

Councilmember O'Connell thanked everyone who participated in Operation Clean Sweep, which was a huge success. Over 4000 pounds of garbage and over 300 pounds of recycling were picked up. There will be a formal presentation at an upcoming Council meeting. She also said the beautification awards are coming, so if anyone has remodeled or done new landscaping, please take pictures.

4. PRESENTATIONS:

- a. **Mayor Franzella** Presented a Proclamation Declaring the Week of May 10-16, 2009 as National Police Week in San Bruno to **Officer Mark Phillips** who thanked the Mayor on behalf of the San Bruno Police Department. He said the they will be holding their 27th annual Police Recognition Day Event, in conjunction with the Shops at Tanforan and the San Bruno Citizens' Crime Prevention Committee on May 15 from 10:00 a.m. to 9:00 p.m. at the Shops at Tanforan.
- b. **Mayor Franzella** Presented a Proclamation Declaring the Week of May 17-23, 2009 as Public Works Week in San Bruno to **Public Services Director Fabry**, who thanked Council for their cooperation and support on behalf of all the employees in the Public Services Department.
- **5. REVIEW OF AGENDA:** No changes.
- **6. APPROVAL OF MINUTES:** Special Council Meeting and Regular Council Meeting of April 28, 2009, stand approved as submitted.

7. CONSENT CALENDAR:

- a. Approve: Payroll of April 26, 2009
- b. **Approve:** Accounts Payable of April 27, 2009.
- c. **Waive:** Second Reading and Adopt an Ordinance Adding New Chapter 6.51, Dangerous Fireworks, to Title 6 (Public Peace, Morals & Welfare) to the San Bruno Municipal Code.

City Council Regular Meeting – Minutes May 12, 2009 Page 2 of 8

M/S Ibarra/Medina to approve the Consent Calendar and passed with all ayes.

8. PUBLIC HEARINGS:

a. Hold Public Hearing, Waive First Reading, and Introduce Ordinances Adjusting Water and Wastewater Rates as Presented in the Notice of Proposed Increases Mailed to All Property Owners.

City Manager Jackson introduced the two items proposing adjustment to water and wastewater rates, which are part of a three-year program. A mailed notice was sent to all property owners on March 27 and since then, the City has received 387 protests, representing 3.3%. She said under Proposition 218, the City Council has the authority to change the rates unless the City received protests from more than 50% of the property owners in San Bruno.

Management Analyst Shannon walked through the development of the rates.

Administrative Services Director O'Leary gave an overview of the financial aspects of the proposed rates.

City Manager Jackson gave a quick update on the numbers of protests received because some were inadvertently omitted in the total count. The grand total is 454 protests (3.9%), which include a number of items improperly prepared, without parcel number or signature. She told Council this was the first hearing and if passed, there would be a second hearing on May 26. If adopted, the rates would go into effect July 1.

Councilmember Ibarra asked how come we need to replace 5% in the next years, which is roughly the amount we replaced in the last ten years? **City Manager Jackson** said for the purpose of the presentation, the slides presented were a simple snapshot. **Public Services Director Fabry** said the focus has to be on system and pipe replacement. She displayed a rusted pipe.

Mayor Franzella opened the Public Hearing.

John Moret, Crestmoor Dr. asked if the crumbling pipeline from Yosemite to Crystal Springs Road cracks and needs replacement, would the citizens be reassessed? **Mayor Franzella** said part of this increase is based on the increased cost from the San Francisco PUC and part of their increase is based on the anticipation of replacing those pipes. He said if there were a failure in that system, we would definitely see an increase.

Moret asked where does San Bruno get its water from beside well water? **Mayor Franzella** half of it is from well and the other half is from Hetch Hetchy.

Moret asked if the people on well water get a cheaper price than those using Hetch Hetchy. **Mayor Franzella** said it is all combined/blended.

Moret said he walks and drives San Bruno and never sees any construction or work crews other than the recent work done on Crystal Springs Rd.

Alex Lo, Fleetwood Dr. objected to an increase and asked why we are paying more than other cities?

Doris Maez, Fleetwood Dr. objected to increased rates. She asked if a rate study had been done? She said wastewater use is based on winter months when there is a specific dry and a specific wet season and asked if that policy be revisited since climates have changed. She talked about unit usage rounded up costing her approximately an additional \$30.00. She noted the difference between San Bruno and South San Francisco.

City Council Regular Meeting – Minutes May 12, 2009 Page 3 of 8

Miguel Araujo, Jr., Masson Dr. asked why rates are being raised so high? He asked several questions having to do with San Bruno's budget and staff.

Kamy Rahnama, **Easton Ave.** said he did not recall the envelope that the notice sent out in March came in.

Gary Souza, Poplar Ave. talked about the economy and the difficulties people would face if these rates were to be implemented.

Ernest Crueger, **Burrows Ave.** expressed his frustration with the increases.

Kathy Sanford, Fasman Dr. said it is important to be green and healthy. She said she never received the flier indicating an increase and expressed it is the worse economic time to inflict such increases.

Jim Kelly, Oak Ave. objected to increases and he said alternatives should be looked into.

Carolyn Livengood, Sheryl Dr. said house prices, salaries, pensions have decreased, health care, medical has gone up. House values have dropped, while water, gasoline, garbage, sales tax, subscriptions have increased. She asked how do people balance their budgets?

Kathryn Lam, Susan Dr. talked about how high the water bills are and it is not the right time.

Alfredo Borrosso, Hensley Dr. said it is not a good time to raise rates.

Julio Molino, San Bruno Ave. he said just wait until the November election.

Miguel Araujo, Sr. said this was not the time to raise rates and could it be postponed?

Vivian Robinson, Sunset Dr. said now is not the right time and people cannot afford it right now. She asked what the City is doing to cut back?

Deborah Byers, Evergreen Dr. said the people cannot afford this type of increase. She said when she came before Council when Summerhill was preparing to build homes in Rollingwood they had set aside money to handle this.

Sheila Lawler, Madison Ave. was not aware of the increase being proposed and she had concerns. She said this is a time to postpone what could be postponed.

Pam, **Toyon Way** said she did not receive the notice regarding the increase. She said as a State employee her salary has been cut by 10%. She said now is not the time to give increases.

Steve Lightfoot, Crestmoor Dr. said he had not received a notice and he was against it.

Jim Madden, Rosewood Dr. said he had not received a notice and he was against the proposal.

Elizabeth Domotar, Courtland Dr. said she had not received a notice and objected to the way the City did the assessment of the sewer charge. She said she had a break in her line. Mayor Franzella suggested she send her paperwork into the City for investigation which she said she had done and the bill was reduced but she felt it was still way too high.

M/S Ruane/O'Connell to close the Public Hearing and passed with all ayes.

Mayor Franzella, addressing some of the questions asked about some of the construction, which has been done? **Management Analyst Shannon** said over the last ten years a lot of work has been done to address deficiencies or mandates by the State Water Board as well as to address capacity issues as well as to replace infrastructure both above and below ground because it was literally breaking. There have been recent well failures, which have been addressed.

City Council Regular Meeting – Minutes May 12, 2009 Page 4 of 8

Mayor Franzella asked about value on some of those repairs. Administrative Services Director O'Leary approximated the capital program approved 1.5 to 2 million dollars a year.

Mayor Franzella said a speaker asked why we were looking at 10 and 11% increases when other cities are looking at 9%? **Public Services Director Fabry** said some of the other cities are bigger than us. She said a City like South San Francisco has the benefit of big commercial users.

Mayor Franzella said the question was raised about increasing wages and the City is currently in a budget deficit and Council has directed there will be no wage increases in the coming year. He said the City in their budget sessions will be looking at furloughs and reduction of work force.

Mayor Franzella asked how the four month chart is used on the wastewater and is there a possibility of using the four highest months of rainfall each year? O'Leary said if Council directed staff to come up with a different system, he believed it could be done by looking at monthly billing.

Mayor Franzella asked about rounding up rather than using the exact number? **O'Leary** said the City upgraded their utility system three years ago and it rounds to whole units. The impact did not increase City revenue, we round down below .5 and up above it is rounded to the next unit.

Mayor Franzella asked if the rate study had been completed. **City Manager Jackson** concurred, it was completed in March.

Mayor Franzella asked about the 5 million dollars lent to the Redevelopment Agency? O'Leary said any Redevelopment Agency is required to have debt in order to be eligible to receive tax increment revenue. The Redevelopment Agency in San Bruno is relatively new and in the beginning, the City lent the Agency 3.9 million dollars from the equipment reserve. Today, he said the interest is being paid on the debt and none of those funds have an impact on water or wastewater accounts.

Mayor Franzella asked how the Lehman Brothers loss has affected the rate? **O'Leary** said the City did have money in the San Mateo County Investment Pool that was lost as a result of Lehman's bankruptcy. This loss was accounted for in the current year, the biggest impact was the loss to the City's General Fund. The two enterprise accounts experienced some loss as their proportion of this overall loss. It has no impact on the rates being proposed for next year.

Mayor Franzella said a lot of comment was made on whether the envelope the notice was sent in talked about a rate increase and he said it did say proposed rate increase.

Councilmember O'Connell noted it was sent out in March.

Mayor Franzella asked how these were prepared and sent out. **O'Leary** said the Finance Department along with Public Works was responsible for the preparation of the notice. This is the second period in which such a notice has been provided. Back in 2006 was a very similar mailing to each property owner. Preparation is done internally and the mailing is done by an outside mailing firm. It is sent to the name of the property owner, bulk mail, first class. He said he had certification from the mailing house that 11,552 addresses were mailed.

Mayor Franzella said the request to discuss what are we looking at replacing in the ensuing years? **Management Analyst Shannon** said some of the projects include quite a bit of main line replacement, underground utility system, water tanks, one more sewage pump station as well as a water pump station, an equipment purchase to help to do preventive maintenance, state mandated planning efforts for a urban water management plan, water master plan update, wastewater master plan update, improvements to the wastewater treatment plant.

City Council Regular Meeting – Minutes May 12, 2009 Page 5 of 8

Vice Mayor Ruane asked about fines? Shannon said they could be up to \$10,000 per day.

Mayor Franzella said there were comments on public disclosures and where money is spent? The City Council each year passes its budget, which includes all of the enterprise funds, which are wastewater and City water departments. That budget is available in the City Library all year long and during the budget process. He invited everyone to come to the budget study sessions reviewing this year where cuts are being made.

Mayor Franzella said the question was raised why the money is spent on Tree Tops. He said we do not own it and it is not in our authority to spend money on something we don't own.

Mayor Franzella said the comment was made Summerhill had promised to fix all the sewer lines in San Bruno. He said that was a misunderstanding.

Councilmember Medina clarified a question in the audience by saying a list of protests was prepared; however, a number of names came in late this afternoon and while their number was included in the total tally, there was not enough time to type their names. The list will be updated.

Councilmember O'Connell said we all pay property taxes and some have the impression those monies go directly to the City. She said that is not the case; we get 14 cents for every dollar spent. She said there were accusations of corruption and if anyone had proof, let us know. Someone said Council was not in the same position and we didn't understand but she had a personal story and found those words offensive. South San Francisco and San Francisco have a large commercial base to offset the cost of utilities to the residents, which we don't have. She said there is over \$130 million dollars worth of work which needs to be done over the next ten years in order for water to be good and clean. She said San Bruno has a provision if you meet the low-income from the County; you can apply for a discount for utility rates by contacting the City Clerk or Finance Department.

Vice Mayor Ruane said the subcommittee looked at being more aggressive because a lot of the repairs have to be done sooner or later but they decided on a mid-stream rate. He said in this City there are a lot of things not controlled by us such as the upcoming propositions. If they don't pass, the State will come after us and we have no control. He said he pays the same as everyone else but it is small compared to what we could pay if there was a catastrophic disaster. There is a lot of projected income; however, we are not receiving it, such as Tree Tops.

Mayor Franzella said there has been a lot said about the current economic times. He asked if anything could be done at the front end to ease the burden? **O'Leary** said an adjustment in the compensation area through furloughs or lay offs might be possible.

Councilmember Ibarra said over the years this Council has made decisions on infrastructure. He said people have been out of their homes and we could wait to fix the problems, but prices go up. He felt for the people who have spoken tonight but he said he cares about the community and he needed to make a decision that is best for San Bruno's community.

Councilmember Medina echoed what the rest of Council had said and felt better education and outreach to the community as far as what are situation is, what the infrastructure is and what really goes on underneath what we can't see. He suggested an open house at the corporation yard so folks who are interested and wish to see and understand can to speak to the staff, watch the videos, visit the wells, see the pump houses and tanks and the conditions they are in, and see something has to be done. He understood there were hardships and he was sympathetic. There are things Council cannot control such as state mandates, PUC increases, the treatment plant in South San Francisco, and sewer overflows. He emphasized it is the job of this Council to prepare for today as well as the future.

City Council Regular Meeting – Minutes May 12, 2009 Page 6 of 8

Mayor Franzella asked about doing outreach to the public? **City Manager Jackson** said they would welcome the opportunity to invite the public to see some of our infrastructure. She said the information would be posted on the web and cable and suggested it be done in the next two weeks.

M/S Ruane/O'Connell to waive the first reading and passed with all ayes.

Vice Mayor Ruane introduced the ordinance for adoption and passed with a unanimous vote.

Mayor Franzella said the City Council would take a five-minute recess.

Mayor Franzella said the City Attorney informed him that the last item's action needed to be amended, it was noted as one public hearing; however, there are two ordinances to be passed.

Vice Mayor Ruane introduced the ordinance for wastewater for adoption and passed with a unanimous vote.

Vice Mayor Ruane introduced the ordinance for water for adoption and passed with a unanimous vote.

b. Hold Public Hearing, Waive First Reading, and Introduce Ordinance Imposing a 2.46% Rate Increase Requested by San Bruno Garbage Company for 2009-10 to be Effective July 1, 2009 as Presented in the Notice of Proposed Increase Mailed to All Property Owners.

Administrative Services Director O'Leary gave an overview of the proposed rate increase of 64-cent increase for a 30 gallon toter as explained in the staff report and asked for questions. He also pointed out there were 21 protests.

Mayor Franzella opened the public hearing.

Alex Lo, Fleetwood Dr. asked if the garbage containers could be made available on a smaller size than the 30-gallon toter.

Jeanette Vanderby, Cedar Ave. asked if another garbage company was considered. **O'Leary** said the franchise agreement, which runs for a number of years, and he would have to look up when it expires. **Mayor Franzella** said when the agreement comes up for renewal they would look at it.

M/S Medina/Ruane to close the public hearing and passed with all ayes.

M/S Ibarra/O'Connell to waive the first reading and passed with all ayes.

Councilmember Ibarra introduced the ordinance for adoption and passed with a unanimous vote.

9. PUBLIC COMMENT ON ITEMS NOT ON AGENDA: No comments.

10. CONDUCT OF BUSINESS:

a. Adopt Resolution Accepting Donation in the Amount of \$3,290 from the Carlton Corners Association to Purchase Public Art and Consider Expenditure of up to \$600 from the Public Art Fund to Purchase a Commemorative Plaque.

Councilmember O'Connell recused herself from this item because she is a member of the Carlton Corners Association Board.

Community Services Director Schwartz gave an overview of the donation of funds from Carlton Corners to purchase a statute to the City of San Bruno. City staff will do the installation as an in-kind donation. The Culture and Arts Commission has approved this donation and has asked for authorization of up to \$600. for a donor plaque. He said the statute would be placed at the northwest corner of the Library.

City Council Regular Meeting – Minutes May 12, 2009 Page 7 of 8

Councilmember Medina asked if any civic groups could donate the donor plaque? **Schwartz** said it has not been explored, but can be.

Mayor Franzella said it is a gracious gift and maybe there is someone out there who could donate the plaque.

Councilmember Medina introduced the resolution to accept the statute for adoption, with the plaque pending and passed with a unanimous vote.

b. Receive Direction from the City Council to Set Study Session Dates for 2009-10 General Fund, Special Revenue Funds, and Enterprise Funds Budget.

Mayor Franzella said he had a conflict on June 11 and asked if June 10, 15 and 17 work for Council? They were all in agreement.

c. Adopt Resolution Authorizing the City Manager to Execute Technical Consulting Services Agreement with Zcorum for Internet, Phone and Cable Television Technical and User Support Service.

Director Gyaltsen gave an overview of the staff report and asked for guestions.

Councilmember Medina asked under this new contract if a customer's box needs to be refreshed after hours, can it be done? **Gyaltsen** concurred.

Councilmember Ruane introduced the resolution for adoption and passed with a unanimous vote.

d. Adopt Resolution Authorizing Purchase of Green Machine Compact Street Sweeper from Municipal Maintenance Equipment in the Amount of \$85,325, Toro Groundsmaster 5900 Mower from Turf Star in the Amount of \$81,182, and Hustler 4600 Mower from Moore Tractor in the Amount of \$27,341.

Central Garage Manager Lind gave an overview of the staff report and asked for questions.

Councilmember Ibarra asked if the smaller sweeper would be used downtown? **Lind** concurred. **Councilmember Ibarra** asked if there was any way Redevelopment could help with that or reimburse the equipment reserve? **City Manager Jackson** said such a purchase could be funded through the Redevelopment Agency; however, that was not how this item was budgeted.

Vice Mayor Ruane asked if there was a maintenance agreement with the small mowers? Lind said the blades are taken care of in house as well as all other maintenance, but there is a warranty.

Councilmember Medina said if purchased, how long is their useful life? **Lind** said the mowers approximately ten years.

Vincent Wong, Rosewood Dr. asked how many sweepers and how many mowers? Mayor Franzella said one much more efficient sweeper and two law mowers.

Councilmember Ibarra introduced the resolution for adoption and passed with a unanimous vote.

e. Adopt Resolution Authorizing Purchase of 2009 Ford E350 Van from Downtown Ford Sales in the Amount of \$19,965.

Public Services Director Fabry asked this item be pulled.

f. Appoint Representative to Bay Area Water Supply and Conservation Agency (BAWSCA.)

City Council Regular Meeting – Minutes May 12, 2009 Page 8 of 8

Mayor Franzella said currently Councilmember O'Connell is serving and her term is coming to an end and she has asked to be reappointed. He asked for a motion.

M/S Medina/Ruane to reappoint Councilmember O'Connell to BAWSCA and passed with all ayes.

g. Receive Report and Provide Direction on Establishing Candidate Statement Policy.

City Clerk Bonner gave an oral report on the approximate cost to publish a candidate statement for the upcoming November election. Presently, the City charges a candidate \$300, but the County has projected a cost in the vicinity of \$550. She asked for Council's direction.

Mayor Franzella said he felt it would be better to set a cost projected rather than chase after a candidate after the election for actual cost. No one is precluded from running, because a candidate can opt out of the statement and incur no cost. **Mayor Franzella** asked a resolution come back at the next meeting indicating the \$550 cost for this coming election year.

11. REPORT OF COMMISSIONS, BOARDS, & COMMITTEES: None.

12. COMMENTS FROM COUNCIL MEMBERS:

Mayor Franzella reported he along with Councilmembers O'Connell, Medina and Ibarra attended San Mateo County Annual Progress Seminar held last month. There were several topics covered pertinent to the attendees to bring back to San Bruno.

Mayor Franzella recessed to the San Bruno Redevelopment Agency meeting at 10:20. At 10:30 p.m. he returned to the Council meeting.

13. CLOSED SESSION:

The City Manager and Human Resources Director Request a Closed Session Pursuant to Cal. Gov't Code Section 4957.6 Regarding Direction for Labor Negotiations with the San Bruno Miscellaneous Group, with no reportable action.

14. ADJOURNMENT:

Mayor Franzella closed the meeting at 10:30 p.m. The next regular City Council Meeting will be held on May 26, 2009 at 7:00 pm, at the Senior Center, 1555 Crystal Springs Road, San Bruno.

Respectfully submitted for approval at the regular City Council Meeting of May 26, 2009

Carol Bonner, City Clerk
Larry Franzella, Mayor